Government of Saskatchewan

2005-2006 Annual Report

Saskatchewan First Nations and Métis Relations

106-07036/

Table of Contents

Letters of Transmittal 3

Introduction 4

Who We Are 5

Mandate 5
Vision 5
Key programs and services 5
Organizational chart 6

2005-06 Results at a Glance 7

Summary of Performance Results 7
Summary of Financial Results 8

2005-06 Performance Results 9

Goal 1 9
Goal 2 15

2005-06 Financial Results 17

Expense 17
Revenue 21

For More Information 22

Appendix A – Legislation 23

This annual report is also available in electronic format from the department's web site at www.fnmr.gov.sk.ca.

Letters of Transmittal

July 2006

Her Honour the Honourable Dr. Lynda M. Haverstock
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Department of First Nations and Métis Relations for the fiscal year ending March 31, 2006.

Maynard Sonntag

The Honourable Maynard Sonntag
Minister of First Nations and Métis Relations

The Honourable Maynard Sonntag
Minister of First Nations and Métis Relations

Dear Sir:

I have the honour of submitting the Annual Report of the Department of First Nations and Métis Relations for the fiscal year ending March 31, 2006.

Nora Sanders
Deputy Minister of First Nations and Métis Relations

Introduction

The Department of First Nations and Métis Relations (FNMR) was created on October 1, 2004. Before that, its operations existed as the Aboriginal Affairs Division of the Department of Government Relations and Aboriginal Affairs (GRAA).

FNMR was created to provide the government with a more focused approach to its work involving First Nations and Métis people. The Department's key areas of focus are related to self-governance of First Nations and Métis people, providing coordination and support to other Provincial Government departments with respect to Aboriginal issues, improving relationships with both Aboriginal and non-Aboriginal people and public education initiatives. The Department delivers specific programming in the areas of increasing Aboriginal employment (Aboriginal Employment Development Program) and Aboriginal economic development (First Nations and Métis Economic Development Program). Finally, the Department administers the Province's legal obligations as they pertain to the distribution of casino gaming proceeds to Aboriginal organizations, and Treaty Land Entitlement agreements.

A separate Performance Plan for the 2005-06 was not completed and released with the provincial budget on March 23, 2005, because of the time it took for the Department to become fully operational. Therefore, the actual results for the key actions and performance measures provided in this Report are a continuation of those that were published in the 2004-05 Annual Report.

This Report also includes results associated with the key actions included in the Budget and Performance Summary for 2005-06, which is the Government-wide plan released with the 2005-06 budget, which is also available on the internet at the following website address:

http://www.gov.sk.ca/finance/budget/budget05/budgetsummary.pdf.

Any improvements in this Annual Report from last year are tied to continued implementation of the Provincial Government's Accountability Framework, consisting of planning, measuring and reporting.

Reporting actual results – both financial and performance – as compared to a plan released at the start of the year increases accountability to the public.

Who We Are

Mandate

The mandate of FNMR is to work with First Nations and Métis people and other orders of government to advance common interests and to improve social and economic outcomes of Aboriginal people. The Department provides leadership within the Provincial Government to ensure First Nations and Métis priorities and issues are reflected in the development, coordination and implementation of government policies and programs. The Department also ensures the Province's obligations with respect to Treaty Land Entitlements and distributions of casino gaming profits are fulfilled.

Vision

First Nations, Métis and non-Aboriginal people living and working in mutual respect and harmony toward a shared destiny of making Saskatchewan a better place to live for current and future generations.

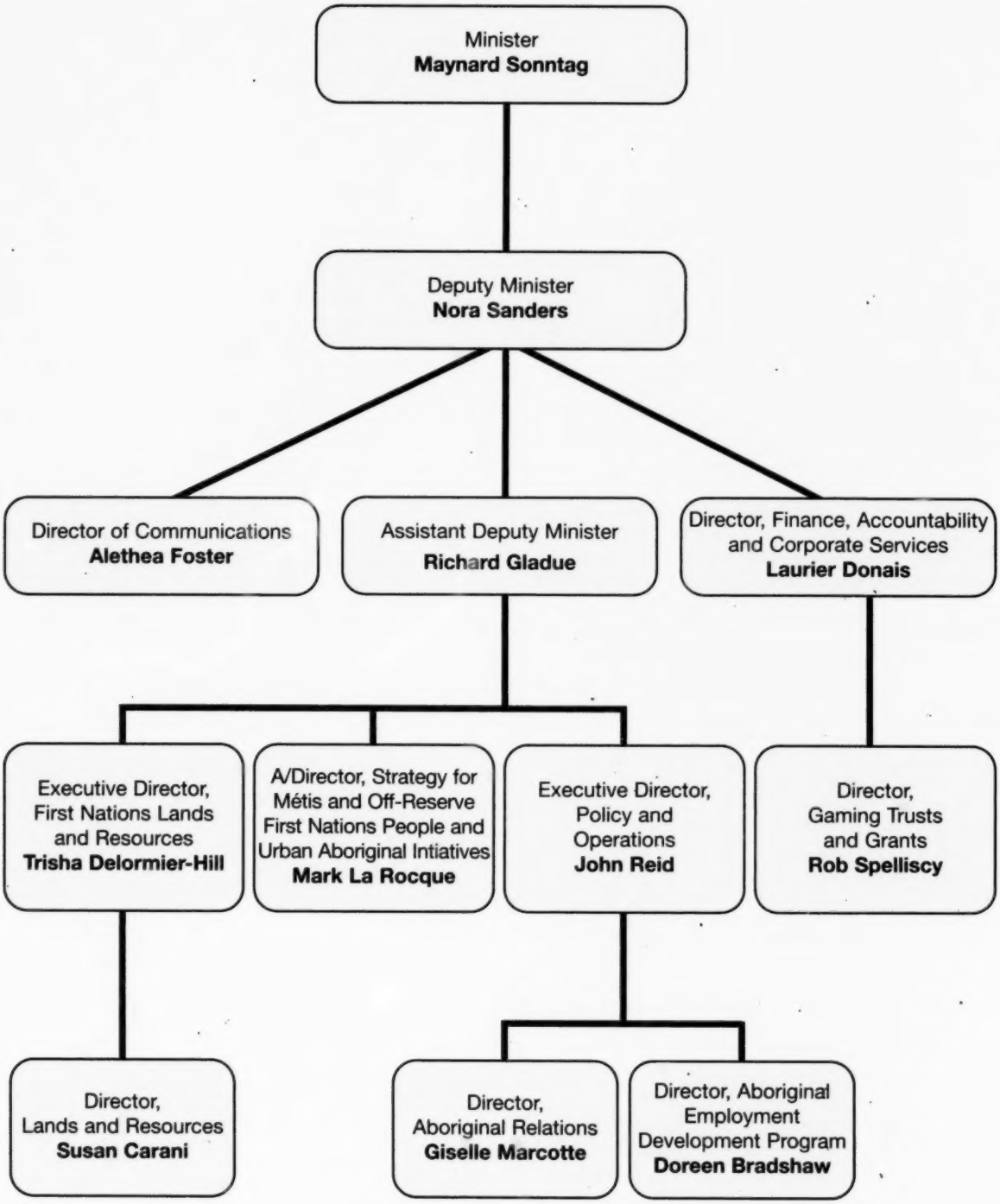
Key programs and services

The Department works with First Nations and Métis people and communities to increase the participation of First Nations and Métis people in the social and economic life of Saskatchewan. The following are the FNMR major program areas:

- Our Aboriginal Employment Development Program (AEDP) helps to increase employment and training opportunities through partnerships involving First Nations and Métis organizations, unions and public and private sector employers.
- In February 2006, the Department rolled out a new economic development initiative – the First Nations and Métis Economic Development Program. This program was developed to increase Aboriginal participation in the Province's economy.
- We administer Saskatchewan's legal obligations pursuant to the Treaty Land Entitlement (TLE) Settlement Agreements.
- We administer Saskatchewan's legal obligations with respect to the distributions of casino gaming profits to the First Nations Trust, Community Development Corporations and Métis Development Fund, pursuant to the requirements of *The Saskatchewan Gaming Corporation Act*, and the 2002 Gaming Framework Agreement signed between the Province and the Federation of Saskatchewan Indian Nations (FSIN).
- We participate in self-government negotiations involving the federal government and Meadow Lake First Nations (MLFNs). The self-government process with the FSIN remains suspended.
- The Department and Indian and Northern Affairs Canada – Office of the Federal Interlocutor (INAC-OFI), have discontinued participation in bilateral and tripartite processes involving the Métis Nation – Saskatchewan (MNS) as a result of serious irregularities in the 2004 MNS election. FNMR announced in November of 2005, that both the Federal and Provincial Governments continue to work with Métis people on an acceptable resolution that would result in a new fair and democratic MNS election.

Department of First Nations and Métis Relations

Organization Chart as of March 31, 2006



2005-06 Results At A Glance – Summary of Performance Results

The Department made progress in advancing its goals in 2005-06. Following are highlights of the most significant performance result by strategic goal:

Key Accomplishments

Goal 1: The aspirations of Saskatchewan's Aboriginal people are understood and realized within the broader Saskatchewan community.

- Strengthened the AEDP by signing new partnership agreements and compiling data indicating that the number of First Nations and Métis people hired by partnership organizations increased to 2,291 as at March 31, 2006.
- FNMR is reviewing First Nations and Métis policy and initiatives with a view to re-defining the Province's strategy for Aboriginal people.
- Negotiations have resumed and progress has been made in the draft governance agreement for the MLFNs.
- The First Nations and Métis Economic Development Program became operational in February 2006.
- FNMR fulfilled the Government's commitments towards the monitoring and funding of First Nations and Métis organizations that receive proceeds from casino gaming operations in the Province.

Goal 2: Canada's constitutionally recognized communities and people are acknowledged, respected and supported within our province and federation.

- Supported TLE Agreements resulting in an increase of 31,066 new acres attaining reserve status.

2005-06 Results At A Glance – Summary of Financial Results

The 2005-06 actual financial results are reported on for the period April 1, 2005, through to March 31, 2006. The budget for the Department was $42.5 million. Actual expenses came in at $48.3 million or $5.8 million above the original budget.

This over-expenditure was a result of the following:

- An additional $3.0 million in funding was required for the First Nations Trust and Community Development Corporations as a result of higher net casino profits in 2004-05 fiscal year. This funding is a flow through from the point of view of the Province's General Revenue Fund (GRF), as these increased payments are directly offset by increased casino profits paid into the GRF by the Saskatchewan Liquor and Gaming Authority.
- An additional $2.9 million in funding was required for the First Nations Trust and Community Development Corporations as a result of higher forecast net casino profits for the 2005-06 fiscal year.
- An additional $370 thousand in spending under the Aboriginal Employment Development Program.
- An additional $300 thousand in spending related to the First Nations and Métis Economic Development Program, which was announced in October 2005 (a mid-year decision).
- A savings of $700 thousand in spending on the Tax Loss Compensation requirements under the Treaty Land Entitlement obligations.
- Operational savings of approximately $100 thousand.

The Department reported revenues totaling $184 thousand for the fiscal year ending March 31, 2006.

FNMR was provided a budget of 36.0 Full Time Equivalents (FTEs) for the 2005-06 fiscal year. Actual FTEs for 2005-06 were 34.0. The reason for the variance is that there were vacant positions throughout the year.

2005-06 Performance Results

The purpose of this section is to report on and explain the detailed performance results associated with all key actions and performance measures for FNMR, as reported in the 2004-05 Annual Report and the 2005-06 Budget and Performance Plan Summary for the Government of Saskatchewan.

The Department will use this annual performance information to assess the overall progress achieved towards the goals and objectives previously set. This information will also be used to feed back into the planning process and will be reflected through adjustments to future performance plans.

The key actions are listed below, followed by a report on our actual progress for each. Actual results information is included for these actions and the associated performance measures. Further information related to FNMR's 2006-07 performance measures is available at: *http://www.fnmr.gov.sk.ca.*

Goal 1 – The aspirations of Saskatchewan's Aboriginal people are understood and realized within the broader Saskatchewan community.

Objective 1 – Aboriginal people are actively engaged in the economic and social life of the Province.

The Department continued to demonstrate progress in this area through its Aboriginal Employment Development Program (AEDP), and the signing of new partnership agreements. Progress was also demonstrated by employer organizations in their efforts to recruit, hire, and train First Nations and Métis people and deliver misconception training in the workplace.

In accordance with established authorities, the Department distributes a portion of the profits of provincial casinos to Aboriginal organizations for economic and social initiatives to the benefit of First Nations, Métis and non-Aboriginal residents of Saskatchewan.

The Department began work on a new policy framework which is intended to bring a consistent and coordinated approach in understanding and addressing Aboriginal issues in the development and delivery of provincial government policy and programs.

Key Results

- Implement the Representative Workforce Strategy aimed at building a workforce representative of the Aboriginal population under the AEDP. [2005-06 planned result]

With additional funding in 2005-06, AEDP expanded and developed new initiatives in existing partnerships and built new partnerships with Saskatchewan employers, labour organizations, education institutions and Aboriginal organizations.

AEDP's Representative Workforce Strategy was formally recognized when the AEDP received the 2004 Premier's Award for Excellence in the Public Service for Innovation.

Specific accomplishments of the program during 2005-06 include:

- As of March 31, 2006, seven new partnership agreements have been signed with: Saskatoon Health Region; City of North Battleford; Prairie North Regional Health Authority; Sunrise Health Region; Heartland Health Region; Saskatchewan Highways and Transportation; and Five Hills Health Region.
- When discussing the program with potential partners, the Department provides leadership on how partner organizations can prepare their workplaces to become a destination of first choice for First Nations and Métis people. This includes promoting misconception training and contact information for facilitators. The Department also encourages partner organizations to consider on-the-job training for First Nations and Métis employees to increase retention.
- The Canadian Union of Public Employees (CUPE) Saskatchewan Region is working to develop and implement enhancements for Aboriginal people into the collective agreement at both the University of Saskatchewan and the Saskatoon Public School Board; both of which are AEDP partners. The Department recognizes the critical importance of unions being involved to help prepare workplaces to become fair and welcoming environments for Aboriginal people.
- Misconception training in workplaces continues to address the myths and misinformation about Aboriginal people. AEDP partners in the health sector are recognized as leaders in this area. The Saskatchewan Association of Health Organization reports that 17,386 staff in the health sector received misconception training. For 2005-06, this represents a 79% increase over the previous fiscal year in the number of health sector staff receiving misconception training.

2005-06 Performance Results

- The Provincial Aboriginal Representative Workforce Council (PARWC), which brings together over sixty AEDP partners and stakeholders, held its second conference "Opportunities Work: Connecting Communities", in October 2005. The overall conference objective was to build and promote a strategic business case for change designed to include the Aboriginal communities and stakeholders in Canada's future opportunities. Approximately 300 participants attended which represented business, labour, education/training, government and Aboriginal people. Among the participants were close to 100 Aboriginal youth and their chaperones and 51 presenters and facilitators.
- First Nations and Métis Relations facilitated numerous in-service training seminars on PARWC's "*See Your Choices, Choose Your Path*" Aboriginal Career Development Kit. Training seminars were delivered to First Nations Tribal Councils, educational councilors, school representatives, Aboriginal training institutions and community-based organizations. In total, five-hundred kits were produced and distributed across the province.
- The Training System Review Panel, in its final report to the Minister of Learning, recommended that AEDP and the Representative Workforce Strategy should become the standard in all major workplaces in Saskatchewan. Also, the Commission on Improving Work Opportunities for Saskatchewan Residents recognized AEDP as a best practice in its report to the Minister of Labour.
- "*Working Together: Saskatchewan's Health Workforce Action Plan*" was unveiled in December 2005 by Saskatchewan Health. This document articulates a plan to strengthen health human resource planning in the province. The goals and objectives of this plan include recognition of the Representative Workforce Strategy and having Aboriginal people fully participating in the health sector and in all occupations.

• Provide financial support to urban Aboriginal community-based organizations and provincial Aboriginal Womens' organizations. [2005-06 planned result]

- Under the Aboriginal Urban Management Authorities Program (AUMAP), provided funding of $30,000 to each of the First Nations urban service delivery organizations in Regina, Prince Albert, Saskatoon, Yorkton and North Battleford (new in 2005-06).
- Provided funding of $25,000 to support an urban Métis service delivery organization in Saskatoon.
- The AUMAP assists First Nations and Métis organizations to develop their own community-based services and integrative approaches in urban areas. It supports a wide variety of initiatives such as cultural, training and employment, youth, and anti-gang initiatives and programs.
- Provided funding of $30,000 to the Saskatchewan Aboriginal Women's Circle Corporation for administration and operation of programs.
- Provided funding of $30,000 to the Saskatchewan First Nations Women's Commission for ongoing policy development pertaining to First Nations' women in Saskatchewan.
- In November of 2004, the Premier proclaimed 2005 the *Year of First Nations and Métis Women* – FNMR's response to this was a small grant program which provided a total of $15,000 in funding to approximately 50 events held throughout the Province to recognize First Nations and Métis women.

• Supported the development of an agreement for closing the social and economic gap between Aboriginal people and non-Aboriginal people in Canada.

- The agreement was made with the Government of Canada, all Provinces and Territories and the five National Aboriginal Organizations (i.e. Assembly of First Nations, Métis National Council, Congress of Aboriginal Peoples, Inuit Tapiriit Kanatami and Native Women's Association of Canada) in November, 2005, in Kelowna British Columbia.

• Developed the First Nations and Métis Economic Development Program.

- The Program was announced in October 2005 and became operational on February 15, 2006. It is a four year $5 million program that is designed to increase Aboriginal participation in the economy which in turn is expected to benefit the economic and social well being of the province as a whole.

2005-06 Performance Results

- Grants are provided to First Nations and Métis entrepreneurs who want to get involved in the key strategic growth sectors of the province, which are: energy, mining, forestry, value-added agriculture, manufacturing, and Aboriginal themed tourism.
- As of March 31, 2006, $303 thousand was disbursed out of the program.

- The Department fulfilled its gaming related responsibilities by funding and monitoring the First Nations Trust (the Trust), the Community Development Corporations (CDCs) and the Métis Development Fund (MDF).

First Nations Trust

- The First Nations Trust was created pursuant to the 2002 Gaming Framework Agreement (GFA) signed between the Province and the FSIN. The Trust is governed by an FSIN appointed Board of Trustees and operates in accordance with the requirements of a Trust Indenture that was appended to the GFA. The Trust receives 25% of the net profits of the Saskatchewan Gaming Corporation (Moose Jaw and Regina casinos) and 37.5% of the net profits generated by the on-reserve casinos operated by the Saskatchewan Indian Gaming Authority (SIGA) including Gold Eagle in North Battleford, Painted Hand in Yorkton, Northern Lights in Prince Albert and Bear Claw, located on the White Bear reserve near Carlyle.
- The Trust distributes these monies to all First Nations in the Province on a per capita basis. In accordance with the GFA, the Trust also receives funding for the First Nations Addictions Rehabilitation Foundation and for FSIN gaming jurisdiction issues.
- The Department is responsible for making payments to the Trust provided that it complies with the GFA and Trust indenture including ensuring that monies distributed to beneficiary First Nations are used solely for initiatives in defined social and economic development areas. During 2005-06, the Department made $22.5 million in payments to the Trust and considers Trust operations to be satisfactory.

Community Development Corporations

- There are four Community Development Corporations (Gold Eagle CDC in North Battleford, Painted Hand CDC in Yorkton, Northern Lights CDC in Prince Albert and Bear Claw CDC, located on the White Bear reserve near Carlyle).
- Pursuant to the GFA, the CDCs were created as registered charities and are each governed by a Board of Directors consisting of First Nations and non-First Nations members appointed by the related casino host Tribal Council. The CDCs receive 25% of net profits generated by the on-reserve casinos operated by SIGA with allocations to each CDC prorated on the basis of each casino's contribution to overall SIGA net profits.
- Through the GFA, the CDCs must distribute monies on a fair and equitable basis amongst First Nations and non-First Nations organizations in communities in and around the related casino for social and economic development initiatives. The Department is responsible for making payments to the CDCs and ensuring that the CDCs operate in accordance with the GFA.
- During 2005-06, CDC expenditures totaled $8.8 million.

Métis Development Fund

- The Métis Development Fund (MDF) was created pursuant to *The Saskatchewan Gaming Corporations Act* (the Act) and operates in accordance with an agreement signed between the Métis Nation – Saskatchewan Secretariat and the Province as represented by Saskatchewan Industry and Resources.
- This agreement designated the Clarence Campeau Development Fund (CCDF) to operate as the MDF. The CCDF is governed by a Board of Directors which includes two non-voting government members. The mission of the CCDF is to improve the economic circumstances of Saskatchewan Métis by providing funding for business development, community economic development, development of management skills, and assistance to new and existing Métis owned businesses.
- Through the Act, the CCDF receives a portion of the profits generated by the Saskatchewan Gaming Corporation as directed on an annual basis by the Lieutenant Governor in Council and appropriated by the Legislature.

2005-06 Performance Results

- The Department is responsible for making required payments to the CCDF and ensuring that the CCDF Annual Report is tabled in the Provincial Legislature within 180 days after year end. Monitoring compliance with the agreement is the responsibility of Saskatchewan Industry and Resources. During 2005-06, the Department made $2.0 million in payments to the CCDF and the CCDF annual report was tabled on a timely basis.

- With Canada and the Meadow Lake First Nations (MLFNs), continue negotiations toward a final on-reserve agreement for self-government. [2005-06 planned result]
  - Negotiations have continued and progress has been made on the draft governance agreement.
- With Canada and MLFNs, continue negotiations toward a framework agreement on lands, resources and economic development and off-reserve citizens. [2005-06 planned result]
  - Negotiations continue to move forward.
- Facilitate and manage provincial involvement in the Métis Bilateral Process Agreement with the MNS and in the Tripartite Management Agreement with Canada and the MNS.
  - FNMR has discontinued its participation in bilateral and tripartite processes involving the Métis Nation – Saskatchewan's disputed leadership.
  - A detailed report on electoral and democratic reform produced in July of 2005 focused on the need for another MNS election and a need for reforms to the MNS electoral, citizenship and governance systems. In response, the Province is prepared to cost-share a MNS election with the federal government. The Province's response respects the Constitution of the MNS and was developed in consultation with the Federal Government after careful study.
  - FNMR and federal officials have discussed the government plan with undisputed and disputed MNS representatives, as well as grassroots Métis people. Elements of this plan include government establishing an independent Elections Advisory Committee and selecting an experienced Chief Electoral Officer if public funds are to be used to cost-share a MNS election. As at March 31, 2006 the disputed MNS leadership has rejected the governments' offer of assistance. FNMR, together with INAC-OFI, continue to work with Métis people on an acceptable resolution that would result in a new MNS election.
  - Although FNMR did not provide funding to the MNS, the Department supported the work of the six-member Electoral Consultation Panel, Métis organizations and Métis institutions.

2005-06 Performance Results

Measurement Results

To measure the performance of the AEDP, the Department keeps track of the number of partnership agreements it has entered into under the program. The figures in the following performance measures are cumulative, since the inception of the program in 1994.

Number of partnership agreements under the Aboriginal Employment Development Program (AEDP).

As of March 31, 2002	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006
n/a	41	54	62	69

Source: FNMR-AEDP data from information provided by partner employer organizations.

FNMR enters into voluntary partnership agreements with private and public sector employers, training institutions and First Nations and Métis organizations. The employer partnerships help ensure Aboriginal people get the training they need to compete for and obtain jobs in Saskatchewan workplaces, remove barriers to employment and retention, and identify and develop business opportunities. Each new partnership broadens the menu of employment opportunities for Aboriginal people in workplaces that are committed to creating a fair and welcoming environment. Increased partnership agreements are dependent on the level of promotion of the program and employer interest in the program.

In measuring the performance of the AEDP, the Department asks the various partners to complete and submit data on key actions for the program. Partners include employers, unions, First Nations and Métis communities, education and training institutions, and the three levels of government (provincial, federal and municipal). FNMR is regularly involved in steering committee meetings to work with partners in a collaborative effort to maximize the success of the program.

FNMR is dependent on the ability of its partners to voluntarily submit the information to the Department, which assembles the data. Factors in the timeliness of reporting are the ability of third parties to provide the data to the Department and limitations on the Departmental resources available to support and work with client base partners regularly and collect and assemble the data.

Finally, the results for 2005-06 for the following performance measures will be provided to the Department by partner employers in the summer of 2006. Our reporting on these measurements will be one year behind due to this recurring time lag of four to five months in obtaining the source data from partners. As a result, data from our partner organizations for the 2005-06 fiscal year is not available (n/a) and will be reported in our 2006-07 annual report.

Number of Aboriginal people hired in AEDP partnership employer organizations.

As of March 31, 2002	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006
1,434	1,734	1,951	2,291	n/a

Source: FNMR-AEDP data from information provided by partner employer organizations.

As of March 31, 2005, 2,291 First Nations and Métis people had been hired by partners, an increase of 17.4 per cent over the previous year.

This measure quantifies the number of people who have been hired in partnership employer organizations under the AEDP. The measurement results are a cumulative total of all partnership hires since 1997-98. The program does not hire people. Through the partnerships with employers, the program influences the workplace policies and practices of partners and communicates opportunities to Aboriginal people and organizations. The number of people hired is dependent on employer's hiring plans and the number of Aboriginal people applying for jobs.

2005-06 Performance Results

Number of people in AEDP partnership employer organizations who receive Aboriginal cultural awareness training.

As of March 31, 2002	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006
2,589	4,074	8,448	12,447	n/a

Source: FNMR-AEDP data from information provided by partner employer organizations.

As of March 31, 2005, 12,447 people had received misconception training, an increase of 47 per cent over the previous year.

An important component of workplace preparation involves dispelling myths and misconceptions about Aboriginal people to ensure a welcoming, respectful environment. This is supported through misconception training. A positive, respectful workplace enhances the employer's ability to recruit and retain Aboriginal employees. Increasing the number of individuals receiving misconception training is dependent on the partner organization's ability to offer the education.

Number of Aboriginal people hired by AEDP partnership employer organizations who receive work-based training.

As of March 31, 2002	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006
743	929	1,155	1,199	n/a

Source: FNMR-AEDP data from information provided by partner employer organizations.

As of March 31, 2005, 1,199 First Nations and Métis people had received work-based training.

A number of partnership employers conduct work-based training programs for potential employees. Entry level and accredited work-based training (often in the health sector), as opposed to on-the-job training, helps potential employees develop specific job skills that are marketable across the employment sector and beneficial when competing for jobs. The majority of people who have received training have been hired in the partnership organizations. Increasing the number of work-based training recipients is dependent on the partner organizations' ability to offer training.

2005-06 Performance Results

Goal 2 – Canada's constitutionally recognized communities and people are acknowledged, respected and supported within our province and federation.

Objective 1 – First Nations land matters are resolved.

First Nations land matters include Treaty Land Entitlement (TLE), Specific Claims and other land related issues.

Treaty Land Entitlement is a process whereby the federal and provincial governments are fulfilling commitments to resolve Treaty Land Entitlement claims with First Nations. The TLE process exists because First Nations did not, in all instances, receive the land that was promised to them in the Treaties. The Government of Saskatchewan has a constitutional obligation to work in partnership with the Government of Canada and First Nations to provide land, as stipulated in the *Natural Resources Transfer Agreement, 1930.*

TLE is managed in accordance with the provincial government's commitments under TLE Agreements signed with the federal government and First Nations. In total, 29 Entitlement First Nations receive $539 million over 12 years from Canada and Saskatchewan to purchase up to two million acres of land to add to their reserves.

The majority of Specific Claims result from a First Nation's grievance with the federal government not fulfilling its lawful obligations within the Treaties or other formal agreements, or breaching its statutory responsibilities (i.e. the failure to provide enough reserve land, the improper management of First Nation funds or the surrender of reserve lands without the consent of a First Nation).

Specific Claims settlements are negotiated between the First Nation and Canada. The Province is not a signatory to these agreements. Saskatchewan acknowledges that Canada has sole responsibility for the negotiation and implementation of Specific Claims settlement; however, the Province has agreed to facilitate any additional reserve creation arising from these settlements.

FNMR serves as a single window into the provincial government for land claim issues. The Department works with other provincial departments, Crown corporations and the federal government to ensure that all land selections and issues are handled in a timely manner in the reserve creation process. FNMR does this by co-ordinating provincial reviews of First Nations' requests to purchase Crown land and minerals as well as the provincial reviews of private lands purchased by First Nations.

Key Results

- Coordinate the implementation of the Province's obligations arising from the TLE Settlement Agreements. [2005-06 planned result]
  - As of March 31, 2006, 665,629 acres had obtained reserve status under Treaty Land Entitlements Agreements, an increase of 5 per cent or 31,066 acres over the previous year.
- Negotiate new TLE agreements, as necessary. [2005-06 planned result]
  - The Provincial Government, Canada and four First Nations continued the negotiation of four new TLE Settlement Agreements. The negotiations are ongoing.
- Oversee the Provincial role and interest in Specific Claim settlements.
  - Facilitated Reserve creation by reviewing all land selections for third party interest and concerns.
  - Held meetings to ensure Provincial interests are addressed (i.e. surface access template agreement being worked on with Justice Canada and First Nation).
  - Worked on replacement Public Utility Agreements with two First Nations.

2005-06 Performance Results

Measurement Results

Number of acres attaining reserve status under Treaty Land Entitlement agreements.

FNMR collects and records data on acres transferred to Reserve status based on selections made by the Entitlement First Nations. Before a selection is transferred to reserve status, the Federal Government (Indian and Northern Affairs Canada) provides a copy of the schedule of lands used with the federal Order-in-Council.

Cumulative as of March 31, 2003	Cumulative as of March 31, 2004	Cumulative as of March 31, 2005	Cumulative as of March 31, 2006
475,356	597,881	634,563	665,629

Source: FNMR-TLE tracking system, based on schedules provided by Indian and Northern Affairs Canada (INAC).

As of March 31, 2006, 665,629 acres had obtained reserve status under Treaty Land Entitlement agreements, an increase of 5 per cent or 31,066 acres over the previous year.

TLE is a complex process that requires the involvement of the federal and provincial governments and First Nations as well as other stakeholders and interests.

Reserve creation begins with Entitlement First Nations and ultimately results in an Order-in-Council that is passed by the Federal Government, which creates the reserve. Thus, the performance on this measure is dependent to a large degree on actions by First Nations and the Federal Government. Delays may be caused by the complications in negotiations regarding the purchase of privately owned lands, water-body exclusions, legal survey requirements, negotiation of agreements, preparations of legal land descriptions, requests for mineral Orders-in-Council, requests for replacement public utility agreements, and removal of lands from *The Wildlife Habitat Protection Act.*

Reserve creation may slow down in future years as the process has been underway since 1992 and 21 of the 26 original signatories to the Treaty Land Entitlement Framework Agreement have achieved their shortfall acres.

2005-06 Financial Results

FIRST NATIONS AND MÉTIS RELATIONS
FINANCIAL OVERVIEW
2005-06 Schedule of Expense

Subvote Subprogram	2005-06 Estimates $000s	2005-06 Actuals $000s	Variances: Over/(Under) $000s	Notes
Central Management and Services (FN01)				
Executive Management	583	652	69	1
Central Services	453	374	(79)	1
Accommodation Services	339	361	22	2
Policy Coordination and Support for Aboriginal Organizations (FN02)				
Policy and Coordination	2,105	1,988	(117)	3
Support for Aboriginal Organizations and Issues	1,370	2,015	645	4
Gaming Agreements (FN03)				
First Nations Gaming Agreements	25,410	31,347	5,937	5
Métis Development Fund	2,000	2,000	-	
Treaty Land Entitlements (FN04)				
Treaty Land Entitlements	10,242	9,577	(665)	6
Expense Sub-Total	**42,502**	**48,314**	**5,812**	
Supplementary Estimates and Special Warrant Funding	6,911	-	(6,911)	7
Statutory Adjustment	-	-	-	
Department Expense Total	**49,413**	**48,314**	**(1,099)**	

The above table outlines information on actual and budgeted expenses by subvote and subprogram. Variance explanations are provided for all variances that are greater than 5% and $100,000.

Explanations of Major Variance:

1) 2005-06 was the first full year of operation for the new department. The over-expenditure in the Executive Management sub-program was offset by an under-expenditure in Central Services.

2) In October 2005, the Department performed some renovations to its office location, which was not budgeted for.

3) There were vacant positions throughout the year.

4) The over expenditure is a result of:

- The new First Nations and Métis Economic Development Program, a mid-year initiative, was announced in October 2005. The program became operational in February 2006, with grants of $303 thousand being paid out by the end of the fiscal year.
- Additional funding was provided to partner organizations under the Aboriginal Employment Development Program.

2005-06 Financial Results

5) Additional funding provided to the First Nations Trust and Community Development Corporations was necessary as the actual amount of this funding is formula driven based on the profits of the Saskatchewan Indian Gaming Authority (SIGA) and Saskatchewan Gaming Corporation (SGC) casinos. The actual profits for 2004-05 and forecast profits for 2005-06 were higher than originally estimated.

6) The amount of land that was transferred to Reserve status was lower than budgeted for and as a result less funding was needed for tax loss compensation payments.

7) The Department received Supplementary Estimates and Special Warrant funding in 2005-06 for $5.9 million in additional gaming funding that was required as per the formula (November 2005 received $4.7 million and in February 2006 received $1.2 million). The Department also received new funding of $550 thousand for the First Nations and Métis Economic Development Program (announced in October 2005) and an additional $400 thousand in funding for the Aboriginal Employment Development Program.

2005-06 Financial Results

Third Party Funding

FNMR provided funding to the following third parties in 2005-06 (amounts shown are those that were $20,000 and over):

- First Nations Trust – $22,508,240. Based on legally mandated formula, funding was provided to the First Nations Trust for the purposes of economic development; social development; justice initiatives; educational development; recreational facilities operation and development; senior and youth programs; cultural development; community infrastructure development and maintenance; health initiatives; governance activities; Treaty protection; and charitable purposes.
- Community Development Corporations (CDCs) – $8,838,735. Based on legally mandated formula, funding was provided to the CDCs for the purposes of economic development; social development; justice initiatives; educational development; recreational facilities operation and development; senior and youth programs; cultural development; community infrastructure development and maintenance; health initiatives; governance activities; Treaty protection; and charitable purposes. The four CDCs that were funded in 2005-06 were:
    - Bear Claw Community Development Incorporated $167,605
    - Gold Eagle Community Development Corporation $2,518,238
    - Northern Lights Community Development Corporation $4,894,580
    - Painted Hand Community Development Corporation $1,258,312
- Clarence Campeau Development Fund – $2,000,000. In accordance with section 25.5 of the *Saskatchewan Gaming Corporation Act*, the Government of Saskatchewan made payments to the Clarence Campeau Development Fund for the purposes of economic development; the achievement of full Métis representation in the provincial economy; to maximize economic opportunity for Métis people; to facilitate business ventures that lead to further employment; and to contribute to the success of Métis people and communities in Saskatchewan.

First Nations and Métis Economic Development Program
- Athabasca Basin Development - $40,000
- Equipment Sales and Services - $25,500
- Federation of Saskatchewan Indian Nations - $50,000
- Hudson Forestry Services Ltd. - $50,000
- Meadow Lake Tribal Council - $50,000
- Saskatchewan Indian Equity Foundation - $25,000

Aboriginal Employment Development Program
- Battlefords Tribal Council - $45,000
- Battlefords Tribal Council Training and Employment - $20,000
- Canadian Union of Public Employees - $40,000
- La Ronge Wild Rice Corporation - $21,000
- Métis Employment & Training of Saskatchewan Inc. - $53,500
- Parkland Regional College - $26,500
- Rawlco Radio - $25,000
- Regina Qu'appelle Regional Health Authority - $20,000
- Saskatchewan Association of Health Authorities - $117,500
- Saskatchewan Indian Institute of Technologies - $25,000
- Saskatchewan Labour Force Development Board - $24,075
- Saskatoon Catholic Schools - $25,000
- Saskatoon Regional Health Authority - $35,000
- Saskatoon Tribal Council - $50,000
- Sunrise Regional Health Authority - $42,700
- University of Regina - $20,000
- University of Saskatchewan - $60,275
- Whitecap Dakota First Nation - $25,000

2005-06 Financial Results

Aboriginal Urban Management Authorities Program
- Battlefords Tribal Council - $30,000
- Central Urban Métis Federation (1993) Inc. - $25,000
- Prince Albert Grand Council - $30,000
- Regina Treaty/Status Indian Services Inc. - $30,000
- Saskatoon Tribal Council - $30,000
- Yorkton Tribal Council - $30,000

Other
- Federation of Saskatchewan Indian Nations - $142,500
- Gabriel Dumont Institute of Native Studies - $30,000
- Meadow Lake Tribal Council - $50,000
- Métis Employment & Training of Saskatchewan Inc. - $25,180
- Métis Family & Community Justice Services of Saskatchewan Inc. - $20,000
- Saskatchewan Aboriginal Women's Circle Corporation - $38,551
- Saskatchewan First Nation's Women's Commission - $30,500
- Saskatoon Catholic Schools - $36,000

Treaty Land Entitlements
- Receiver General for Canada – Indian and Northern Affairs - $8,882,090
- Saskatchewan Association of Rural Municipalities - $320,275
- School Division Tax Loss Compensation Fund - $374,946

2005-06 Financial Results

FIRST NATIONS AND MÉTIS RELATIONS
FINANCIAL OVERVIEW
2005-06 Schedule of Revenue

Program Subprogram	2005-06 Estimates $000s	2005-06 Actuals $000s	Variances: Over/(Under) $000s	Notes
Revenue				
Transfer from the Federal Government	-	40	40	1
Refunds – Previous Years Expenditure	-	141	141	2
Casual Revenue	-	3	3	
Department Revenue-Total	**-**	**184**	**184**	

Explanations of Major Variance:

1) The Transfers from the Federal Government are the amounts that the Federal Government agreed to cost share for the Métis Electoral Consultation Panel in 2005-06.

2) Overpayment recovery from accruals setup for the Treaty Land Entitlement tax loss compensation established at March 31, 2005.

For More Information

Additional information about FNMR is available on the Department's website, viewable on the internet at *http://www.fnmr.gov.sk.ca.*

The website includes both general and more detailed information about the department, its programs and services, and legislation for which the department is responsible.

For further information about First Nations and Métis Relations or to provide feedback about the Department's 2005-06 Annual Report or its performance results, please contact us:

Phone: (306) 787-6250
Email: webmaster@fnmr.gov.sk.ca

Mailing Address
First Nations and Métis Relations
2nd Floor, 1855 Victoria Avenue
REGINA SK S4P 3T2

Appendix A – Legislation

The Department of First Nations and Métis Relations is responsible for the following pieces of legislation:

- *The Indian and Native Affairs Act*
- *The Métis Act*
- *The Saskatchewan Gaming Corporation Act, Part III*
- *The Saskatchewan Natural Resources Transfer Agreement (Treaty Land Entitlement) Act*
- *The Treaty Land Entitlement Implementation Act*
- *The Government Organization Act - Department of First Nations and Métis Relations Regulations*